

CITY OF OAKLAND
AGENDA REPORT

OFFICE OF THE CITY CLERK

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Public Works Agency
DATE: July 11, 2006

2006 JUN 23 PM 1:15

RE: Resolution Rejecting All Proposals For The Management Of Thirteen (13) City of Oakland Off-Street Parking Facilities, And To Issue A New Request For Proposal (RFP) For Operation And Management Of The City's Off-Street Parking Facilities

SUMMARY

A resolution has been prepared to reject proposals submitted by parking management contractors to manage the City's off-street parking facilities, and directing staff to issue a new Request for Proposals (RFP). In January 2005, Public Works staff presented a report to the City Council requesting authorization to negotiate a contract with the first-ranked parking management firm to manage the City's thirteen (13) off-street parking facilities. Following that request, Council directed staff to continue working with the existing parking management firm and return with a revised RFP. This report provides a summary of the status of the RFP process, an update on the events that transpired to date and recommendation for next steps.

FISCAL IMPACT

There is no significant fiscal impact identified as the result of this report and resolution. Funding for the staff time necessary for the RFP process and administering a new parking management contract is considered part of normal business practice, and therefore included in the operational budget in the Public Works Agency (PWA), Transportation Services Division, Organization (30262), Program NB33.

BACKGROUND

The City and Redevelopment Agency own and operate seventeen (17) off-street parking facilities (see Attachment 'A'). Contracts for thirteen (13) out of seventeen (17) facilities have expired, and staff has proposed to consolidate the management of these facilities into one contract. In May 2004 Public Works staff issued a Request for Proposals (RFP) and received responses from seven (7) contractors. An outside panel of parking managers from the Bay Area ranked these seven proposals based on an objective set of criteria. In January 2005, PWA presented a report requesting authorization to negotiate with the first-ranked parking management contractor, Central Parking System. Staff proposed to negotiate with the first-ranked firm, and if staff could not come to terms with the first-ranked firm, negotiations would proceed with the second-ranked firm, and so on, until the City and a firm could agree to terms. Staff would then return to Council for approval of a negotiated agreement.

Following discussion at the Council meeting, Council rejected staff's recommendation and directed staff to continue the existing contract with Bay Area Parking, and to consider a new

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process on the award of a parking management contract which would take local business participation into account as part of the selection process.

In the months after the City Council action, informal discussions between Central Parking Systems and Bay Area Parking took place, with the goal of presenting an alternative proposal to the City that maximized local business participation, through Bay Area Parking, while retaining the qualifications that made Central Parking the first-ranked firm. Discussions continued through most of 2005, but to date the two firms have not shown mutual interest in putting forth a proposal for the City's consideration. Therefore, staff proposes to reject all proposals submitted by the seven (7) parking management contractors that responded to the RFP, and to issue a new RFP to manage the City's off street parking facilities. Following Council's direction, the new RFP will include selection criteria that consider local (Oakland) business participation and employment.

KEY ISSUES AND IMPACTS

Current Contracts Expired

The long-term parking management contracts for thirteen (13) parking facilities have expired. The facilities are currently operating under continuing month-to-month contracts. The contracts need to be updated to reflect the City's current policies, such as LBE/SLBE, Living Wage and the *Equal Benefits Ordinance*. Also, the existing parking management contracts do not allow the flexibility to ensure the highest level of service, especially in the area of marketing, which could lead to increased revenue.

Garage Revenue Financing

On July 15, 2003, the City Council approved Resolution No. 77928 C.M.S. re-establishing the Parking Authority of the City of Oakland ("Parking Authority") to provide a vehicle for financing future parking and capital projects. The expected improvement in garage management and revenue will enhance the ability of the Parking Authority to utilize bond financing in the future should the Council wish to use garage revenue as a source of capital financing.

Selection Criteria

The previous RFP identified nine criteria that were used to evaluate and rank the proposals submitted. The criteria, along with the associated weights (which total 100%), are listed below:

- | | |
|--|-----|
| • Proposed cost (cashiering, cleaning, security, management fees) | 15% |
| • Qualifications and prior experience | 10% |
| • Financial stability | 10% |
| • Knowledge of and experience in the Oakland business market | 5% |
| • Hiring, operating, training and auditing procedures | 10% |
| • Demonstrated ability to provide high quality of customer service and high quality operations | 15% |
| • Information provided by reference checks and independent site inspections | 10% |

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- General presentation to the selection panel 10%
- Capability to market the City's parking programs, and plan for maximizing facility utilization and revenues 15%
- TOTAL: 100%**

Staff proposes to add criteria to evaluate participation of local businesses and employment of City residents. Public Works will work with the Contract Compliance & Employment Services Division to develop objective criteria for evaluation. The proposed criteria is as follows:

- Proposed cost (cashiering, cleaning, security, management fees) 15%
- Qualifications and prior experience 10%
- Financial stability 10%
- Knowledge of and experience in the Oakland business market 5%
- Hiring, operating, training and auditing procedures 10%
- Demonstrated ability to provide high quality of customer service and high quality operations 10%
- Information provided by reference checks and independent site inspections 10%
- General presentation to the selection panel 5%
- Capability to market the City's parking programs, and plan for maximizing facility utilization and revenues 10%
- *Extent of local business and local employment participation and commitment* 15%
- TOTAL: 100%**

SCHEDULE

Upon Council approval, staff proposes to issue notices to the firms that submitted proposals, informing them that all proposals have been rejected, and that a new RFP will be issued, and inviting them to submit. The following is the proposed schedule:

- Council rejects proposals July 18, 2006
- Firms notified and informed of new upcoming RFP July 19, 2006
- New RFP finalized, prepared and advertised August 7, 2006
- Proposals final submittal date September 22, 2006
- Screening and evaluation of proposals ("Short-listing") October 6, 2006
- Final interviews Week of October 23, 2006
- Staff evaluation, reference checks and final recommendation November 10, 2006
- Report with recommendation to the Finance & Management Committee January 9, 2007

SUSTAINABLE OPPORTUNITIES

Economic: There are no significant economic opportunities identified by the proposed action. Staff will identify economic opportunities that are available when a recommendation on a new parking management contract is made to the City Council.

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Environmental: There are no significant environmental opportunities identified by the proposed action. Staff will identify environmental opportunities that are available when a recommendation on a new parking management contract is made to the City Council

Social Equity: There are no significant social equity opportunities identified by the proposed action. Staff will identify social equity opportunities that are available when a recommendation on a new parking management contract is made to the City Council.

DISABILITY AND SENIOR CITIZEN ACCESS

There are no disability or senior citizen access issues identified by the proposed action. Staff will identify these issues when a recommendation on a new parking management contract is made to the City Council.

RECOMMENDATION AND RATIONALE

Staff recommends rejecting all proposals submitted by seven (7) parking management contractors that responded to the previous RFP, and to issue a new RFP for operation and management of the City's off-street parking facilities that incorporates local business participation on the ranking process.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City Council approve the resolution.

Respectfully submitted,

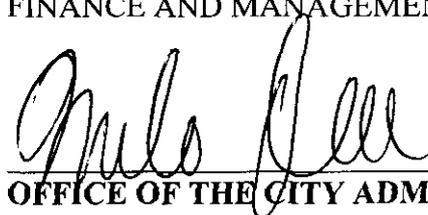


RAUL GODINEZ II, P.E.
Director, Public Works Agency

Reviewed by:
Wladimir Wlassowsky, P.E.
Manager, Transportation Services Division

Prepared by:
Ade Oluwasogo, P.E.
Supervising Transportation Engineer

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:


OFFICE OF THE CITY ADMINISTRATOR

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Attachment A

City-Owned Parking Facilities

	PARKING FACILITIES	LOCATION	CURRENT OPERATOR
	<i>Facilities with expired management or maintenance contracts, proposed for new contract:</i>		
1	Telegraph Plaza	2102 Telegraph Ave	Bay Area Parking
2	Dalziel Garage	250 Frank Ogawa Plaza	Bay Area Parking
3	Franklin Garage	1719 Franklin St.	Bay Area Parking
4	1200 Harrison Garage	290 Harrison St	Bay Area Parking
5	City Center West Garage	1250 MLK Way	Central Parking Systems
6	University of California, Office of the President	409-12th Street	Douglas Parking Co.
7	Willie Manuel Courthouse	(Hall of Justice)	Bay Area Parking
8	12th & Jefferson Lot	1151 Jefferson St.	Bay Area Parking
9	Piedmont Lot	4150 Howe St	City
10	Dimond Lot	3400 Dimond Ave	City
11	Parkway Lot	343 Wayne Place	City
12	Lake Park Lot	3195 Lakeshore Ave	City
13	Grand Ave Lot	3270 Grand Ave	City
	<i>Facilities not under consideration for new contract:</i>		
14	Montclair Garage	6235 La Salle	Montclair Merchants
15	Scout Lot	2250 Mountain Blvd.	Montclair Merchants
16	Clay St Garage	1414 Clay St	Downtown Merchants
17	Pacific Renaissance Garage	388 9th St	International Hoteliers


Oakland City Attorney's Office

OFFICE OF THE CITY CLERK
OAKLAND

2006 JUN 29 PM 1:15 OAKLAND CITY COUNCIL
RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER _____

RESOLUTION REJECTING ALL PROPOSALS FOR THE MANAGEMENT OF THIRTEEN (13) CITY OF OAKLAND OFF-STREET PARKING FACILITIES, AND TO ISSUE A NEW REQUEST FOR PROPOSAL (RFP) FOR OPERATION AND MANAGEMENT OF THE CITY'S OFF-STREET PARKING FACILITIES

WHEREAS, the City of Oakland owns and operates parking facilities throughout the City to serve the public; and

WHEREAS, the Public Works Agency is responsible for overseeing and managing the operation and maintenance of said parking facilities, through parking management contractors; and

WHEREAS, in May 2004, Public Works issued a Request for Proposals for management of fourteen (14) parking facilities, and received seven (7) proposals; and

WHEREAS, in June 2004, the 18th/Telegraph parking lot was taken out of service as part of the Oakland School of the Arts project, thereby decreasing the number of parking facilities under City operation to thirteen (13); and

WHEREAS, an independent panel of parking managers from around the Bay Area ranked these seven proposals based on an objective set of criteria; and

WHEREAS, at the January 18, 2005 City Council meeting, Public Works staff presented a recommendation to begin negotiations with the first-ranked firm, and if staff could not come to terms with the first-ranked firm, negotiations would proceed with the second-ranked firm, and so on, until the City and a firm could agree to terms; and

WHEREAS, staff would then subsequently return to the City Council with for approval of a negotiated agreement; and

WHEREAS, the City Council rejected staff's recommendation and directed staff to continue the existing contract with Bay Area Parking, and to consider a new process on the award of a parking management contract which would take local business participation into account as part of the selection process; and

WHEREAS, staff has continued the existing contract with Bay Area Parking; now, therefore, be it

RESOLVED: That the City Council hereby rejects all proposals for the Operation and Management of Fourteen City of Oakland Off-Street Parking Facilities, dated March 2004; and be it

FURTHER RESOLVED: That staff is hereby directed to revise and reissue a new Request for Proposals for the Operation and Management of the City’s Parking Facilities; and be it

FURTHER RESOLVED: That said Request for Proposals shall include criteria to evaluate and rank the proposals, including criteria which evaluates the extent of local business and local employment participation and commitment, as shown herein:

- Proposed cost (cashiering, cleaning, security, management fees) 15%
 - Qualifications and prior experience 10%
 - Financial stability 10%
 - Knowledge of and experience in the Oakland business market 5%
 - Hiring, operating, training and auditing procedures 10%
 - Demonstrated ability to provide high quality of customer service and high quality operations 10%
 - Information provided by reference checks and independent site inspections 10%
 - General presentation to the selection panel 5%
 - Capability to market the City’s parking programs, and plan for maximizing facility utilization and revenues 10%
 - Extent of local business and local employment participation and commitment 15%
- TOTAL: 100%**

and, be it

FURTHER RESOLVED: That staff is directed to return to the City Council with a recommendation on a new parking management contract upon conclusion of the RFP and evaluation process

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2006

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND PRESIDENT DE LA FUENTE

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
Of the City of Oakland, California